

Basic Medicaid

Billing Guide

October 2007

Basic Medicaid Billing Guide

Table of Contents

SECTION 1: WHO'S WHO IN THE MEDICAID PROGRAM..... 1-1

What is Medicaid?	1-1
Division of Medical Assistance: Organization Roles	1-2

SECTION 2: RECIPIENT ELIGIBILITY 2-1

Eligibility Determination	2-1
Eligibility Categories	2-1
When Does Eligibility Begin?	2-2
Retroactive Eligibility	2-2
Eligibility Reversals.....	2-2
Medicaid Identification Cards.....	2-2
Blue and Pink Medicaid Identification Card Information	2-3
Blue Medicaid Identification Card.....	2-4
Family Planning Waiver Card	2-5
Piedmont Cardinal Health Plan Card.....	2-7
Pink Medicaid Identification Card.....	2-8
Buff MEDICARE-AID ID Card	2-9
County-Issued Medicaid Identification Cards	2-11
Verifying Eligibility.....	2-11
Verification Methods	2-11
Transfer of Assets	2-11
Transfer of Assets Determination	2-12
Provider Access to Transfer of Assets Information.....	2-12
Eligibility Denials	2-13
Explanation of Benefits (EOBs) for Eligibility Denials	2-15
24-Visit Limitation.....	2-17
How to Request an Exemption	2-17
Co-payments	2-18
Co-payment Exemptions.....	2-18
EPSDT Policy Instructions Update.....	2-19
NON-COVERED STATE MEDICAID PLAN SERVICES REQUEST FORM	2-29

SECTION 3: MEDICAID PROVIDER INFORMATION..... 3-1

Qualifications for Enrollment	3-1
Enrollment Procedure	3-1
Tax Information	3-1
Conditions of Participation	3-2
Civil Rights Act	3-2
Rehabilitation and Disabilities Acts.....	3-2
Disclosure of Medicaid Information.....	3-3
Medical Record Documentation	3-3
Payment in Full	3-4

Fee Schedule Requests.....	3-4
Provider Responsibilities	3-5
Verifying Recipient Eligibility	3-5
Billing the Recipient	3-5
Third-Party Liability	3-6
Overpayments	3-6
Reporting Provider Changes	3-6
What Changes Must Be Reported.....	3-6
How to Report a Change.....	3-7
Voluntary Termination.....	3-7
Termination of Inactive Providers	3-7
Payment Suspension	3-7
Licensure Revocation or Suspension	3-8
Sanctions	3-8
Program Integrity Reviews	3-9
Determining Areas for Review	3-9
Provider Responsibilities in a Program Integrity Review.....	3-9
Request for Reconsideration	3-10
Self-Referral Federal Regulation	3-10
Advance Directives	3-11
Provider Information—Frequently Asked Questions	3-12

SECTION 4: MANAGED CARE PROVIDER INFORMATION 4-1

Carolina ACCESS—Community Care of North Carolina.....	4-1
Carolina ACCESS.....	4-1
Community Care of North Carolina—ACCESS II/III	4-1
Recipient Enrollment	4-2
Recipient Education	4-3
Provider Participation	4-3
Requirements for Participation	4-3
Conditions of Participation	4-6
Exceptions.....	4-7
Sanctions	4-7
Sanction Appeals	4-7
Terminations	4-8
Provider Reports	4-8
Enrollment Report.....	4-8
Emergency Room Management Report.....	4-8
Referral Report.....	4-8
Quarterly Utilization Report	4-9
Provider Requirements.....	4-9
Health Check Services	4-9
Adult Preventive Annual Health Assessments	4-9
24-Hour Coverage.....	4-9
Standards of Appointment Availability	4-10
Standards for Office Wait Times	4-11

Hospital Admitting Privileges.....	4-11
Women, Infants, Children Special Supplemental Nutrition Program Referrals	4-12
Transfer of Medical Records	4-12
Medical Records Guidelines	4-12
Referrals and Authorizations	4-13
Referrals for a Second Opinion.....	4-15
Referral Documentation.....	4-15
Exempt Services.....	4-15
Override Requests	4-16
Medical Exemption Requests	4-17
Patient Disenrollment.....	4-17
Carolina ACCESS—Frequently Asked Questions	4-19
List of Regional Managed Care Consultants	4-28

SECTION 5: SUBMITTING CLAIMS TO MEDICAID..... 5-1

Time Limits for Filing Claims	5-1
Submitting Claims on Paper	5-1
Processing Paper Claims without a Signature	5-1
Submitting Claims Electronically	5-1
Billing on the CMS-1500/ CMS-1500 (08/05) Claim Form.....	5-2
Billing on the UB-92/UB-04 Claim Form	5-2
Billing on the ADA 2002/ADA 2006 Claim Form.....	5-3
New Claim Form Instructions.....	5-3

SECTION 6: PRIOR APPROVAL..... 6-1

Early and Periodic Screening, Diagnostic and Treatment	6-3
General Requests for Prior Approval.....	6-4
Denial of Prior Approval	6-5
Requests for Specific Types of Prior Approval	6-5
CAP Participation	6-5
Out-of-State or State-to-State Ambulance Service	6-6
Long-Term-Care Services.....	6-6
Services Provided to the Mentally Retarded.....	6-6
Optical Services—Routine Eye Exams and Refractions	6-6
Optical Services—Visual Aids	6-7
Hearing Aids, Frequency Modulation Systems, and Accessories	6-7
Dental Services	6-7
Durable Medical Equipment and Orthotic and Prosthetic Devices	6-7
Enhanced Care (Adult Care Home)	6-8
Adult Care Home Special Care Unit for Persons with Alzheimer’s and Related Disorders.....	6-8
Hospice Participation	6-8
Utilization Review for Psychiatric Services	6-9
Outpatient Specialized Therapies	6-9
Certain Prescription Drugs.....	6-9
Transplants	6-10
Quick Reference Table—Prior Approval for Certain Medicaid Services	6-12

SECTION 7: THIRD-PARTY INSURANCE 7-1

Medicaid Payment Guidelines for Third-Party Coverage	7-1
Services Provided to Medicare-Eligible Medicaid Recipients	7-1
Capitated Payments.....	7-1
Discounted Fee-for-Service Payments.....	7-1
Noncompliance Denials	7-2
Third-Party Liability	7-2
Determining Third-Party Liability	7-2
Time Limit Override on Third-Party Insurance.....	7-3
Refunds to Medicaid	7-3
Personal Injury Cases.....	7-3
Tort (Personal Injury Liability).....	7-3
Provider's Rights in a Personal Injury Case	7-4
Billing for Personal Injury Cases.....	7-4
Payment for Personal Injury Cases	7-4
Refunds and Recoupments for Personal Injury Cases	7-5
Third-Party Liability—Frequently Asked Questions.....	7-6
Health Insurance Premium Payments	7-10
Medicaid Credit Balance Reporting.....	7-11

SECTION 8: RESOLVING DENIED CLAIMS 8-1

Claim Adjustments.....	8-1
Resubmission of a Denied Claim.....	8-1
Instructions for Completing the Medicaid Claim Adjustment Request Form	8-1
Tips for Filing Adjustments.....	8-2
RA Requirements for Paper Adjustments.....	8-3
Submitting an Adjustment Electronically.....	8-4
Pharmacy Claim Adjustments.....	8-4
Instructions for Completing the Pharmacy Adjustment Request Form	8-5
EOB Denials That Do Not Require Filing an Adjustment	8-5
Resolution Inquiries	8-7
Time Limit Overrides	8-7
Instructions for Completing the Medicaid Resolution Inquiry Form	8-8
Recoupments.....	8-9
Automatic Recoupments	8-9
Provider Refunds	8-9

SECTION 9: REMITTANCE AND STATUS REPORT 9-1

What is the Remittance and Status Report?.....	9-1
Remittance and Status Report Sections and Subsections	9-1
Paid Claims	9-1
Adjusted Claims.....	9-2
Informational Adjustment Claims.....	9-2
Denied Claims.....	9-2
Claims in Process.....	9-2

Financial Items.....	9-2
Claims Summary.....	9-2
Claims Payment Summary.....	9-3
Financial Payer Code.....	9-3
Population Group Payer Code	9-3
New Totals Following the Current Claim Total Line	9-3
Summary Page	9-4
Remittance and Status Report Field Descriptions	9-4
Explanation of the Internal Claim Number.....	9-6

SECTION 10: ELECTRONIC COMMERCE SERVICES 10-1

Available Services	10-1
Electronic Claims Submission	10-1
Improved Cash Flow.....	10-1
Saved Time	10-2
Ease of Use	10-2
Support.....	10-2
Billing Claims Electronically.....	10-2
Billing with the North Carolina Electronic Claims Submission Web-based Tool	10-2
Billing with Software Obtained from a Vendor.....	10-3
Billing with Software Written by Your Office or Company	10-3
Billing through a Clearinghouse	10-3
Value Added Networks.....	10-3
Interactive Recipient Eligibility Verification.....	10-4
Approved VAN Vendors	10-4
Important Telephone Numbers for Electronic Commerce Services	10-5
Electronic Funds Transfer.....	10-5
Electronic Commerce Services – Frequently Asked Questions	10-6

APPENDIX A: N.C. MEDICAID AUTOMATED VOICE RESPONSE (AVR) SYSTEM

APPENDIX B: CONTACTING EDS—TELEPHONE INSTRUCTIONS

APPENDIX C: CONTACTING MEDICAID

APPENDIX D: EDS PROVIDER SERVICES REPRESENTATIVES

APPENDIX E: REQUESTING FORMS

APPENDIX F: LIST OF ABBREVIATIONS

APPENDIX G: PROVIDER FORMS

APPENDIX H: NEW CLAIM FORM INSTRUCTIONS